

**Q: What is an 1115 waiver?**

A: A Medicaid 1115 waiver is a request made under authority of Section 1115 of the Social Security Act. This section gives the Secretary of Health and Human Services authority to approve experimental, pilot, or demonstration projects that promote the objectives of the Medicaid and CHIP programs. This gives states flexibility to design and improve their programs by testing new approaches to payment and delivery generally, over a five year period.

**Q: What are some of the key characteristics of a waiver?**

A: A waiver allows for spending flexibility. This allows states to receive federal matching dollars for spending that is not currently matchable under Medicaid, and to also spend differently in order to achieve programmatic and budgetary objectives.

Waivers must be budget neutral. This means that they must result in federal expenditures that are no more than what would have been spent in the absence of the waiver over the five years.

**Q: What is included in Illinois' waiver application?**

A: Illinois's Medicaid 1115 waiver application is known as the *Path to Transformation*. It will allow Illinois to make targeted investments in our Medicaid program to address the multiple and challenging causes of ill health associated with poverty, including community behavioral health, the social determinants of health, and home and community based services. The "*Path to Transformation*" has four pathways:

Pathway 1 focuses on transforming the health care delivery system.

- Implementing and expanding innovative care management models
- Helping our public hospital systems transform their care delivery
- Assisting private hospital and health systems to adopt new models of care
- Enabling institutional providers to convert or close facilities.

Pathway 2 focuses on building capacity of the health care system for population health management.

- Developing community wellness strategies
- Integrating public health and health care delivery
- Expanding maternal-child home visit programs

Pathway 3 focuses on building and supporting a 21<sup>st</sup> century health care workforce.

- Developing a Medicaid Graduate Medical Education (GME) pilot program
- Developing a health care workforce loan repayment program
- Enhancing workforce training opportunities

Pathway 4 focuses on long-term supports and services infrastructure and choice and coordination.

- Creating parity for populations served by the state's Home and Community-Based Service waivers
- Increasing access to community-based long-term care services and supports
- Moving from a disability-based system to a needs-based system
- Expanding and integrating community behavioral health services
- Promoting stable living through supportive housing

**Q: What are the financial implications for the *Path to Transformation*?**

A: Federal funding under a waiver works in a similar way to the current Medicaid program, in that the federal government matches eligible spending. The waiver requests that Illinois be allowed to expand the services considered eligible for match. In order to achieve our objectives under the waiver we must identify current expenditures, known as Costs Not Otherwise Matchable (CNOM), that support or contribute to health outcomes for the Medicaid population and can be used to draw down the additional federal dollars.

By agreeing to match these costs, the federal government is effectively making an investment in Illinois' Medicaid program that it believes will, over the period of the waiver, lead to better outcomes and lower costs. This federal investment frees up state resources to also make targeted investments in programs and services designed to meet our goals of quality, transformation and rebalancing. Not all of these investments require waiver authority to implement. In some cases, waiver authority already exists, but the funding does not. The waiver, through CNOM, supports financing of the policy or service changes, even though the actual policy or service does not need to be part of the waiver proposal.

The financing calculations for Illinois' 1115 waiver were developed working with state agencies to identify existing spending that could be used for federal match.

To see how the money will be allocated, please refer to the waiver expenditure plan on page 113 of the posted application, available at [healthcarereform.illinois.gov](http://healthcarereform.illinois.gov). This chart shows where CNOM/savings will be realized.

**Q: If a program is used for CNOM, will the people who benefit from it today lose access to those services?**

A: Although Illinois is proposing to draw some existing expenditures into Medicaid for purposes of drawing down federal match, this process will not require changes to how those dollars are currently spent.

**Q: How will the waiver be implemented?**

A: The waiver application posted on [healthcarereform.illinois.gov](http://healthcarereform.illinois.gov) is targeted specifically to issues of concern to federal Centers for Medicare and Medicaid Services (CMS). The state's application must describe specific changes to Medicaid for which federal approval is needed and lay out the basis for our request for substantial new federal resources to make program changes intended to save costs over the next five years. It is not intended as a comprehensive description of how the Illinois Medicaid program will function if CMS approves the waiver.

Governor Quinn is committed to a broad, transparent process to develop the specific policy and program changes that will be necessary to implement the waiver. The waiver points us in a new direction. The details of how we get there and what it will look like will be developed over the next 6 to 12 months in collaboration with stakeholders.

**Q: What has been the process for engaging the public?**

A: Illinois has had an extensive process for public input and dialogue. The State developed a website for the Path to Transformation waiver that includes a copy of the waiver concept paper, waiver drafts, slide decks from stakeholder meetings, attendance lists from stakeholder meetings, and instructions on how to submit comments on the concept paper and waiver drafts.

A copy of the waiver concept paper was posted on the state's website and also distributed via e-mail to dozens of stakeholders. The State received written comments from 94 organizations and individual stakeholders on the concept paper. The state held three large group stakeholder meetings to discuss waiver concepts and solicit input from stakeholders. Each stakeholder meeting was held more than once, and in-person, phone and video options were provided to maximize accessibility. In addition to the large group stakeholder meetings, state staff and our consultants met individually with dozens of stakeholder groups and advocates. A public notice of the waiver application was published in the Illinois Register, allowing for a 30-day comment period. The waiver application was also posted on the state's website for public comment. Additional public stakeholder meetings were held in both Springfield and Chicago.

**Q: I submitted comments on the waiver, but did not see them addressed in the final application. What happened to comments submitted on the waiver?**

The state has received hundreds of questions, comments and concerns in response to the draft waiver application posted in January. Each one was carefully considered by the state and our consulting team and many were incorporated into the final application.

Many comments received were outside the scope of the waiver application. In these cases, the comments will be referred to the appropriate state agency and/or referred for implementation planning purposes.

The State will be posting responses to all comments and questions received on the waiver in the coming weeks.

**Q: What is the Uniform Assessment Tool?**

A: Illinois is enhancing our current standardized assessment tools and developing a uniform, person-centered tool that can be used consistently across the State to determine an individual's needs for support services, medical care, transportation, and other services.

Illinois is pursuing a Uniform Assessment Tool as a requirement under the Federal Balancing Incentives Program that provides incentives to states to further rebalance their Long Term Supports and Services delivery systems.

**Q: What is the timeline for waiver submission?**

A: Below is a list of key dates during the waiver planning process:

October 18, 2013 Stakeholder kick-off meeting  
Oct. 18-Dec. 13, 2013 Stakeholder meetings  
November 5, 2013 Concept paper finalized  
January 8, 2014 Draft waiver posted for comment  
January 22, 2014 Waiver comments due  
February 10, 2014 Final waiver w/comments posted  
\*EXTENDED: March 10, 2014 Written comments due  
March 2014 Waiver submitted to CMS

**Q: What will be the process/timeline for developing the waiver implementation plan?**

A: Illinois is interested in soliciting feedback from all interested stakeholders in developing program design details and implementation strategies for the waiver. The State is using a process similar to the one employed during the Alliance for Health planning process that involves engaging a broad array of stakeholders through multiple working groups. Details on the workgroups and the process for participating are available at:

<http://www2.illinois.gov/gov/healthcarereform/Pages/AllianceWorkGroups.aspx>